

From: bounce-228949-7238911@listserv.state.ma.us on behalf of Governor Deval Patrick <Constituent.Services@state.ma.us>
Sent: Thursday, October 15, 2009 3:40 PM
To: Farak, Sonja (DPH)
Subject: Managing Continued Budget Challenges Together



Dear Colleague:

As you know, despite the best forecasts, tax revenues for the first quarter of this fiscal year are off by \$212 million. Two weeks ago, I directed the Secretary of Administration and Finance to consult further with the Department of Revenue and independent economists and revise the revenue projection for this fiscal year downward. They have done so, and now project FY10 tax revenue at \$18.279 billion. This new forecast is down \$600 million from the figure on which the Legislature and I based the budget. That means we have to act immediately to bring state spending in line.

The challenge facing all of us in the next fiscal year is just as serious. If we simply maintain spending next year at levels necessary to deliver the same level of services we deliver now, budget watchdog groups have estimated that we will face a further shortfall of as much as \$2 to 3 billion. I know how much you have pitched in to manage through the unprecedented challenges we have faced so far, and I thank you for that. Painful as it is, we have to adjust again.

Achieving the necessary spending reductions is likely to require up to 2,000 layoffs. This is on top of the 1,400 positions we have eliminated already. I know, like you do, that the loss of good people compromises public service, and disrupts the lives of the very public servants who give so much to state government.

In order to preserve positions and maintain services, I am directing agencies to reinstate a second round of furloughs for executive branch managers of up to 9 days, tiered by salary. Specific guidance will be forthcoming from ANF. I am also calling on other state workers, through your union, to work with ANF on contract revisions and other ways to share in this sacrifice, so that we can hold onto the jobs and continue to provide the services. If we can reach agreement on a savings plan by October 30, we can avoid or reduce the number of layoffs. If we cannot, then we will have no choice but to proceed with layoffs.

I know this is unsettling news, and I hate having to deliver it. I value you and your service to the people of the Commonwealth and continue to be inspired by your dedication. There are better times ahead, and I hope you will work with us to get through these toughest of times together.

Sincerely yours,



Governor Deval L. Patrick